

NOTICE TO TENANTS OF INTENTION TO SUBMIT A REQUEST TO HUD FOR APPROVAL OF AN INCREASE IN MAXIMUM PERMISSIBLE RENTS

Date of Notice: 12/30/02

Take notice that on December 30, 2002, we plan to submit a request for approval of an increase in the maximum permissible rents for Fairview Homes Apartments to the United States Department of Housing and Urban Development (HUD) and the Newark Housing Authority. The proposed increase is needed for the following reasons:

1. A significant increase in general liability and umbrella insurance,
2. Repairs to the roof and gutters to prevent leaks,
3. Upgrade security system and increase manned security, and
4. Repair recent plumbing problems around office

The rent increase for which we have requested approval are:

Bedrooms	Present Rent	Proposed Increase	Proposed Rent
2 BD	\$798	\$152	\$950
3 BD	\$1,006	\$144	\$1,150
4 BD	\$1,205	\$95	\$1,300


The proposed rent increase, upon HUD/Newark Housing Authority will take effect March 1, 2003. A copy of the materials that we are submitting to HUD in support of our request will be available during normal business hours at the project management office and at New Horizons Real Estate Management Co., Inc., One Riverfront Plaza, 5th Floor, Newark 07102, for a period of 30 days from the date of service of this notice for inspection and copying by tenants of Fairview Homes Apartments and, if the tenants wish, be legal or other representatives acting for them individually or as a group.

During a period of 30 days from the date of the service of this notice, tenants of Fairview Homes Apartments may submit written comments on the proposed rent increase to us at address mentioned in the prior paragraph. Tenant representatives may assist tenants in preparing those comments. (If at HUD's or Newark Housing Authority's request or otherwise, we make any material change during the comment period in the materials available for inspection and copying, we will notify the tenants of the change or changes, and the tenants will have a period of 15 days from the date of service of this additional notice (or the remainder of any applicable comment period, if longer) in which to inspect and copy the materials as changed and to submit comments on the proposed rent increase). These comments will be transmitted to HUD, along with our evaluation of them and our request for the increase. You may also send a copy of your comments directly to HUD and/or the Newark Housing Authority referencing Fairview Homes Apartments, Project #: 031135280 to:

HUD, One Newark Center, Newark, NJ, attention: Director, Housing Management Division and/or Newark Housing Authority, 500 Broad Street, Newark, NJ 07102, attention Ms. Mahasan Dawan

HUD will approve, adjust upward or downward, or disapprove the proposed rent increase upon reviewing the request and comments. When HUD advises us in writing of its decision on our request, you will be notified. If the request is approved, any allowable increase will be put into effect only after a period of at least 30 days from the date you are served with that notice and in accordance with the terms of the existing leases.

Sincerely,
Fairview Preservation Urban Renewal Partnership, LP

 12-30-02
Donald Harris, President, New Horizons Real Estate Management Co., Inc. (its agent)